

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:3872

ANSWERED ON:17.08.2000

ECONOMIC VIABILITY OF INDO-OMAN UREA PROJECT

DINESH CHANDRA YADAV;RAM JEEVAN SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Indo-Oman urea project though economically unviable and the international financiers having walked out of the project is being pushed through by the Government for execution; and

(b) if so, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS)

(a) & (b): After considering all aspects of the Oman India Fertilizer project and the benefits accruing therefrom such as supply of urea at a fixed price based on low cost preferred feedstock (Natural gas) for a long term of 15 years, government have approved investment of IFFCO and KRIBHCO in the revised and restructure~~d~~ project. The approval is however, subject to early resolution of certain outstanding issues.